Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government propose to cut as many as 5600 jobs at the State run Oil and Natural Gas Corporation (ONGC) and Bharat Petroleum Corporation Limited (BPCL);

(b) if so, the details thereof and the reasons therefor;

(c) in what manner Government are planning to implement this proposal; and

(d) the other steps taken to help the above companies to become competitive?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) to (d) Oil & Natural Gas Corporation Limited (ONGC) and Bharat Petroleum Corporation Limited (BPCL) have reported that they do not have proposal for retrenchment of their employees. However, both these public sector units have embarked upon an organizational restructuring exercise to address the imbalances in availability and requirement of manpower throughout the organization and are, therefore, proposing to introduce an attractive Voluntary Retirement Scheme (VRS) so that repositioning of the staff across the organisation may be achieved after the exit of VRS optees. In addition these Corporations have been duly empowered under the Navratna dispensation.

Oil refinery at Paradip

1460. SHRI B.J. PANDA:
MISS MABEL REBELLO:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether IOC has deferred construction of the proposed oil refinery at Paradip for some years; if so, the reasons therefor and also the time by when construction would be resumed;

(b) whether this delay would escalate the cost of construction; if so, by how much; and

(c) the details of amount already invested in land acquisition and other preliminary civil works?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) Following the withdrawal of the incentives by the State Government of Orissa in February 2002, based on which the project was planned, the viability of the project was adversely affected. As per the appraisal done by ICICI, the project may not be viable with the existing package of incentives/concessions making funding of the project difficult. IOC has taken up the matter for restoration of the tax incentives with the State Government. The project completion schedules are under review by IOC.

(b) The project cost has increased from Rs. 8,312 crore at August, 1999 prices to Rs. 12,400 crore at October 2001 prices.

(c) An expenditure of Rs. 558 crore has been incurred on the pre-project activities including land acquisition. An amount of Rs. 1,050 crore has been committed on the project.

Re-structuring of ONGC

1461. DR. ALLADI P. RAJKUMAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether oil production by the ONGC is falling since 1998 inspite of increase in manpower;

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken to review the lop sided-organizational structure of ONGC?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) There has been a decrease in the manpower of Oil and Natural Gas Corporation Limited (ONGC) from 42158 in 1998 to 39827 in 2002 (as on 1st October). The production of crude oil did come down from 26.385 Million Metric Tonne (MMT) in 1998-99 to 24.708 MMT in 2001-2002. However, the production of oil has gone up by 7.63% during April-September, 2002 over the corresponding period last year.

The main reason for the decline in production is that ONGC's major oilfields, including Mumbai High, have entered the natural declining